

Helping Families Save Their Homes Act could keep hundreds of thousands of families from losing their home without spending one federal dollar and will help stabilize your home's prices

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Washington, DC –Congressman Tim Ryan (OH-17) voted in favor of legislation today to provide relief to families who are facing foreclosure. The Helping Families Save Their Homes Act will put in place the first piece of a comprehensive Homeowner Affordability and Stability Plan being worked on by Congress and President Obama. A record 5.4 million homeowners were either behind on payments or in foreclosure at the end of last year, according to an industry survey.

“Every single American is affected by this foreclosure crisis, even if you aren’t behind in your payments the value of your home is being affected by your neighbors who are,” said Congressman Tim Ryan.

“So we are not just helping individual homeowners, we are stabilizing whole neighborhoods.”

The Helping Families Save Their Homes Act gives bankruptcy judges the ability to modify existing mortgages for families who file for Chapter 13 bankruptcy as an incentive to spur lenders into voluntarily modifying loans. It gives lenders the confidence to modify loans by protecting them from some lawsuits. Further, it spurs mortgage refinancing by fixing the

Federal Housing Administration's Hope for Homeowners Program, reducing fees and offering new incentives for lenders.

Chapter 13 bankruptcy filing is a last resort for many families who are unable to make ends meet in the midst of this recession. It is a strict and intrusive process that forces a family to open their finances up to the scrutiny and management of the courts for up to five years.

More than 14 million homeowners owe more on their mortgage than their home is worth, and they cannot refinance. Many are facing foreclosure through no fault of their own.